

SERFF Tracking Number: CFAP-125738086 State: District of Columbia
First Filing Company: Group Hospitalization and Medical Services, Inc., ... State Tracking Number:
Company Tracking Number: 1151
TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: Filing # 1151 GHMSI&BlueChoice DC
Project Name/Number: DC PPO&HMO UW&HIPAA 200809 Effective /1151

Filing at a Glance

Companies: Group Hospitalization and Medical Services, Inc., CareFirst BlueChoice, Inc.

Product Name: Filing # 1151 SERFF Tr Num: CFAP-125738086 State: District of Columbia

GHMSI&BlueChoice DC

TOI: H21 Health - Other

SERFF Status: Closed-APPROVED State Tr Num:

Sub-TOI: H21.000 Health - Other

Co Tr Num: 1151

State Status:

Filing Type: Rate

Reviewer(s): Laszlo Pentek

Authors: Anna Guloy, Todd Switzer, Disposition Date: 08/26/2008

David Mok, Katheryn Barron

Date Submitted: 07/17/2008

Disposition Status: APPROVED

Implementation Date Requested: 09/01/2008

Implementation Date:

General Information

Project Name: DC PPO&HMO UW&HIPAA 200809 Effective

Project Number: 1151

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 08/26/2008

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed:

Created By: David Mok

Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: David Mok

Filing Description:

To Whom It May Concern:

This filing pertains to the Individual, Non-Medigap business of CareFirst BlueCross BlueShield (CF). This filing is to inform the DC Department of Insurance, Securities and Banking (DISB) of changes being implemented to the medical underwriting methodology for all Individual, Non-Medigap Underwritten business. These changes are proposed to be effective September 1, 2008. Please refer to the Filing Summary for more details.

If you have questions regarding this filing, please contact me at (410) 998-5098 or Mr. Todd Switzer, A.S.A., M.A.A.A., Director of Actuarial Pricing at (410) 998-7107.

<i>SERFF Tracking Number:</i>	<i>CFAP-125738086</i>	<i>State:</i>	<i>District of Columbia</i>
<i>First Filing Company:</i>	<i>Group Hospitalization and Medical Services, Inc., ...</i>	<i>State Tracking Number:</i>	
<i>Company Tracking Number:</i>	<i>1151</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>Filing # 1151 GHMSI&BlueChoice DC</i>		
<i>Project Name/Number:</i>	<i>DC PPO&HMO UW&HIPAA 200809 Effective /1151</i>		

Sincerely,

Anna Guloy, A.S.A., M.A.A.A.
 Actuarial Associate
 Actuarial Pricing Department

Company and Contact

Filing Contact Information

Anna Guloy, Actuarial Associate	anna.guloy@carefirst.com
10455 Mill Run Circle	410-998-5098 [Phone]
Owings Mills, MD 21117	410-998-7704 [FAX]

Filing Company Information

Group Hospitalization and Medical Services, Inc.	CoCode: 53007	State of Domicile: District of Columbia
840 First Street NE	Group Code:	Company Type: Hospital, Medical & Dental Service or Indemnity
Washington, DC 20065	Group Name:	State ID Number:
(410) 581-3000 ext. [Phone]	FEIN Number: 53-0078070	

CareFirst BlueChoice, Inc.	CoCode: 96202	State of Domicile: District of Columbia
840 First Street NE	Group Code:	Company Type: Health Maintenance Organization
Washington, DC 20065	Group Name:	State ID Number:
(410) 581-3000 ext. [Phone]	FEIN Number: 52-1358219	

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

SERFF Tracking Number: CFAP-125738086 State: District of Columbia
First Filing Company: Group Hospitalization and Medical Services, Inc., ... State Tracking Number:
Company Tracking Number: 1151
TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: Filing # 1151 GHMSI&BlueChoice DC
Project Name/Number: DC PPO&HMO UW&HIPAA 200809 Effective /1151

Supporting Document Schedules

	Item Status:	Status Date:
Bypassed - Item: Actuarial Justification	APPROVED	08/26/2008
Bypass Reason: This is not a standard rate filing. As no rates are being changed, no Actuarial Justification needed.		
Comments:		

	Item Status:	Status Date:
Satisfied - Item: Filing Summary	APPROVED	08/26/2008
Comments:		
Attachment: DC UW Pts Filing Summary Eff 9.1.08.pdf		

	Item Status:	Status Date:
Satisfied - Item: NAIC Transmittal Document	APPROVED	08/26/2008
Comments:		
Attachment: 1151 NAIC Transmittal Doc.pdf		

CareFirst BlueCross BlueShield

INDIVIDUAL, NON-MEDIGAP BUSINESS **UNDERWRITTEN PRODUCT** **MEDICAL UNDERWRITING METHODOLOGY** **DISTRICT OF COLUMBIA** **FILING SUMMARY (FILING # 1151)** **Effective September 1, 2008**

The attached filing pertains to the Individual, Non-Medigap business of CareFirst BlueCross BlueShield (CF). This filing is to inform the DC Department of Insurance, Securities and Banking (DISB) of changes being implemented to the medical underwriting methodology for all Individual, Non-Medigap Underwritten business. These changes are proposed to be effective September 1, 2008.

The medical underwriting point system for pregnancy and pregnancy-related conditions are being tightened. Details of the current points and the new points are shown in page 3 for pregnancy and pregnancy-related conditions. Diagnosis for Preemies or Complications of Pregnancy that also affect Newborns (ICD9 codes 760 – 779) will also be added to the list.

The current point assigned to pregnancy at 4.2 rejects applicants applying for an Individual contract. The new point being implemented at 5.0 will carve out and reject members in the application in 2+party and family contracts who have diagnosis codes being tightened.

As mandated in the HMO product, there is no waiting period for pre-existing conditions, including pregnancy. This has negatively impacted the HMO product. As seen in the Utilization exhibit (page 4) of CareFirst's Individual Underwritten products, maternity claims are 12.6% of the total medical claims for HMO while PPO and Indemnity have 2.2% and 5.0% of the total medical claims. This is driving the change in the medical underwriting points.

An exhibit is also added to show that out of the top 20 ICD9 diagnosis codes in BlueChoice HMO Underwritten, 7 are pregnancy-related amounting to 39.8% of the total medical claims paid of the top 20 diagnosis codes.

Assessing 5 points to female infertility is to follow the BCBSA guidelines. If members apply for maternity later and have been on infertility drugs, coverage for any pregnancy-related claims will be denied.

To have a consistent medical underwriting across all Underwritten products, these changes will be implemented in CF's Indemnity (CMM) and PPO (BluePreferred) products as well. This will also avoid anti-selection among the products, in particular to applicants with creditable coverage. Individuals taking BluePreferred who have continuous coverage either with CF or from another carrier and if the applicant can produce appropriate HIPAA certificate, credit applies towards the waiting period.

A more risk selective underwriting approach will increase enrollment by lowering rates, balancing fairness to high claims cost individuals against lower premiums for the majority of customers.

Life, Accident & Health, Annuity, Credit Transmittal Document

1.	Prepared for the State of						
2.	Department Use Only						
	State Tracking ID						
3.	Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #
4.	Contact Name & Address	Telephone #	Fax #		E-mail Address		
5.	Requested Filing Mode	<input type="checkbox"/> Review & Approval <input type="checkbox"/> File & Use <input type="checkbox"/> Informational <input type="checkbox"/> Combination (please explain): _____ <input type="checkbox"/> Other (please explain): _____					
6.	Company Tracking Number						
7.	<input type="checkbox"/> New Submission <input type="checkbox"/> Resubmission		Previous file # _____				
8.	Market	<input type="checkbox"/> Individual <input type="checkbox"/> Franchise <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <input type="checkbox"/> Small <input type="checkbox"/> Large <input type="checkbox"/> Small and Large <input type="checkbox"/> Employer <input type="checkbox"/> Association <input type="checkbox"/> Blanket <input type="checkbox"/> Discretionary <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____ </div> </div>					
9.	Type of Insurance						
10.	Product Coding Matrix Filing Code						
11.	Submitted Documents	<div style="margin-bottom: 10px;"> <input type="checkbox"/> <u>FORMS</u> <input type="checkbox"/> Policy <input type="checkbox"/> Outline of Coverage <input type="checkbox"/> Certificate <input type="checkbox"/> Application/Enrollment <input type="checkbox"/> Rider/Endorsement <input type="checkbox"/> Advertising <input type="checkbox"/> Schedule of Benefits <input type="checkbox"/> Other </div> <div style="margin-bottom: 10px;"> <u>Rates</u> <input type="checkbox"/> New Rate <input type="checkbox"/> Revised Rate </div> <div style="margin-bottom: 10px;"> <input type="checkbox"/> FILING OTHER THAN FORM OR RATE: Please explain: _____ </div> <div> <u>SUPPORTING DOCUMENTATION</u> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Articles of Incorporation <input type="checkbox"/> Association Bylaws <input type="checkbox"/> Statement of Variability <input type="checkbox"/> Actuarial Memorandum <input type="checkbox"/> Other _____ </div> <div style="width: 45%;"> <input type="checkbox"/> Third Party Authorization <input type="checkbox"/> Trust Agreements <input type="checkbox"/> Certifications </div> </div> </div>					

12.	Filing Submission Date		
13	Filing Fee (If required)	Amount _____	Check Date _____
		Retaliatory <input type="checkbox"/> Yes <input type="checkbox"/> No	Check Number _____
14.	Date of Domiciliary Approval		
15.	Filing Description:		

16.	Certification (If required)
<p>I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and the filing complies with all applicable statutory and regulatory provisions for the state of _____.</p> <p>Print Name _____ Title _____</p> <p>Signature _____ Date: _____</p>	

18.	Rate Filing Attachment			
This filing transmittal is part of company tracking number				
This filing corresponds to form filing company tracking number				
Overall percentage rate indication (when applicable)				
Overall percentage rate impact for this filing			%	
	Document Name	Affected Form Numbers		Previous State Filing Number
	Description			
01			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
02			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
03			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
04			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
05			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
06			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
07			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
08			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
09			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
10			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	

LH RFA-1